

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

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In writing or telegraphing the  
National Canners Association's  
headquarters, address—

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## Philadelphia Business Tax

The Association has recently received a number of inquiries from cannerymen concerning the scope and application of the General Business Tax Law of the City of Philadelphia, which imposes a tax on all persons or corporations engaging in any business in the City of Philadelphia at the rate of one mill on each dollar of the annual receipts of such business.

It is the opinion of Association Counsel that, despite the presence of language in the Philadelphia Act which closely resembles that of the New York City Gross Receipts Tax Act prior to its amendment, there will be no attempt by the Philadelphia authorities to collect the tax from cannerymen who do not maintain stocks of foods or sales offices within the city and who sell to Philadelphia customers only through independent brokers. The tax is applicable to sales by out-of-city cannerymen who maintain stocks of foods or offices in Philadelphia. The Association will report to its members any new developments with respect to the Philadelphia law.

## President Taylor's Address

An address delivered by N.C.A. President Henry P. Taylor this winter at meetings of state and regional cannerymen associations has been published in *The Collector*, the monthly publication of the American Collectors Association, Inc.

Mr. Taylor's address, entitled "Business Responsibility in a Changing World," was selected by the editors of that publication as a "forthright statement of the position that American business assumes."

## N.C.A. Carries on Business In New Building

The National Canners Association is carrying on business at its new headquarters building, 1133 20th Street, N. W., in Washington, following the moving of the staff, as well as N.C.A. files and records, on May 16.

The staffs of all of the administrative divisions reported at the new building Tuesday morning. New office furniture, including desks, file cabinets and book cases, had been put in place for use, and telephones had been installed. As working materials were delivered from the former headquarters building, they were arranged in their proper places and work programs were continued.

Pending final installation of special laboratory equipment, the laboratory staff remained at the former building, with communications being handled through the switchboard and mail room of the new building.

With occupancy of the new headquarters, the staff intensified preparations for the Dedication Ceremony. (Please turn to page 178)

## New Interpretative Bulletin Construes General Coverage Under Recently-Amended Wage-Hour Law

An interpretative bulletin on how the U. S. Department of Labor's Wage and Hour and Public Contracts Divisions will construe the general coverage of the wage and hours provisions of the Fair Labor Standards Act, as revised by the Fair Labor Standards Amendments of 1949, was issued May 17 and was published in the *Federal Register* of that date.

The bulletin discusses the principles the Divisions will adhere to in determining which employees are engaged "in commerce" or in the "production of goods for commerce," including those in any "closely related" process or occupation "directly essential" to such production, within the meaning of the Act—the Federal Wage-Hour Law. To illustrate the principles of coverage discussed, the bulletin provides many examples of covered and noncovered employment.

The bulletin is known as Interpretative Bulletin, Part 766, Subpart A—General.

In the near future, it was announced, there will be issued Subpart

(Please turn to page 178)

## State Secretaries Agenda

Several industry matters are scheduled for discussion at the annual meeting of the Association of Cannery State and Regional Secretaries, in Washington, June 6:

Association cutting bees—Mac Clevenger, Cannery League of California, and C. R. Tulley, Northwest Cannery Association.

Promotional programs—W. A. Free, Pennsylvania Cannery Association, and Calvin L. Skinner, Tri-State Packers Association, Inc.

Industry-wide contracting—Harvey F. Cahill, Utah Cannery Association.

Fieldmen's conferences and schools—W. H. Sherman, Association of New York State Cannerymen, Inc.

## INSECTICIDES

### Food and Drug Pesticide Tolerance Hearings

Following is a summary, prepared by Association Counsel and staff, of the proceedings at the FDA hearing on insecticide tolerances from May 8 through May 12, 1950.

Representatives of the chemical industry continued giving testimony at sessions of the Insecticide Tolerance Hearings during the week May 8-12. They presented evidence on the necessity for use of copper, sulfur, chlordane, aldrin, dieldrin, the dinitros, 2,4-D, nicotine, various soil fumigants, a new herbicide called endothal, and a new insecticide called dilan.

Testimony on copper was contributed by Dr. A. A. Nikitin, a plant pathologist with the Tennessee Corporation, and by Dr. J. D. Wilson, associate pathologist of the Ohio Agricultural Experiment Station at Wooster, Ohio. Dr. Nikitin said that various copper compounds are used in controlling 52 major diseases, 137 secondary ones, and 49 by seed treatment. He also introduced residue studies which showed that tomatoes sprayed with copper had copper residues of 1 ppm prior to washing and less than 1 ppm after washing; unwashed celery had a residue of 15 ppm and 6 ppm after washing, while the residue on both washed and unwashed cucumbers was less than 1 ppm. According to other evidence introduced by Dr. Nikitin, copper is an outstanding control of citrus melanose and increases the yield of tomatoes and potatoes.

Dr. Wilson reported upon the results of experiments to study the suitability of various copper-containing fungicides for controlling vegetable diseases. He said that copper compounds are effective when used on such vegetables as potatoes, tomatoes, celery, carrots, and cucumbers and that the yield increase which results from the use of copper fungicide pays for the cost of the spray program as well as increasing the profit obtained.

Sulfur testimony was presented by Dr. H. W. Dye, a plant pathologist with the Niagara Chemical Division of the Food Machinery and Chemical Corporation, and by Dr. H. H. Carter, a chemist with USDA. Dr. Dye summarized and interpreted the testimony which has been given on the use of sulfur. Dr. Carter discussed the chemical properties of sulfur and summarized what sulfur residue information is available. He said most of the data are concerned with sulfur deposits on leaves rather than the edible portions of fruits and vegetables. The amount of residue present depends upon many factors, but experiments show that water washing and weathering will remove much of it. In one experiment on prunes, 85 percent of the sulfur residue was re-

moved by the washing used preparatory to canning. A study of the effects of sulfur residue on the keeping qualities of canned tomato products gave the conclusion that there is no pronounced effect and residue problems can be eliminated if the usual care is taken in washing the fruit. Dr. Carter said that as far as he knew, sulfur residues have not been suspected of being responsible for harmful effects on humans or farm animals or of causing off-flavors in food products.

The Julius Hyman Co. presented two witnesses who discussed the residue data and characteristics of aldrin, dieldrin, and chlordane. A. A. Danish said that several different methods may be used in making residue determinations for these materials, but that colorimetric methods seem to be the most specific. Tests disclosed that less than 1 ppm of chlordane was present 22 days after application on alfalfa. There was no residue on potatoes grown in dieldrin-treated soil. There was a residue of .54 ppm seven days after the last of four applications to tomatoes. Fourteen days after the last of three applications of 5 percent dieldrin dust on snap beans, no residue was found and none was found on Elberta peaches 35 days after three applications of 3½ pounds of 15 percent wettable dieldrin powder. Translocation tests show that after treating soil with 100 pounds of aldrin per acre and spraying the growing plants a minimum of six times at rate of one-half pound of actual aldrin per acre, no residue was found in cabbage, sweet corn and onions, and 0.0 to 0.3 ppm was found in soybeans and tomatoes. Aldrin residue of 0.86 ppm was found in tomatoes which were canned seven days after the last of four aldrin dust applications, but tomatoes canned 12 days after the last application had no residue. No aldrin was found in the canned corn and canned lima beans grown from aldrin-treated seed, and no residue was found 31 days after the last of three applications of aldrin to Elberta peaches.

J. N. Bann, a Julius Hyman Co. chemist who has been working with the Illinois Natural History Survey, reported upon the results of extensive experiments to determine the residue patterns of aldrin, chlordane, lindane, dieldrin, toxaphene, and DDT. It has been found that three weeks after application there is 19 times more DDT residue on the leaves of apples than on the fruit. Initial deposits of DDT were always greater than those of aldrin, chlordane, dieldrin, and toxaphene. The probable explanation of this is that some material is lost by volatilization during the

actual application and consequently the more volatile materials have less initial deposit. Residue tests on the leaves of apples and peaches show that the point of zero residue is reached in 20 days for lindane, 80 days for aldrin and sometime after 41 days for chlordane, dieldrin, toxaphene and DDT in that order. Other data show that the persistency of parathion is quite similar to that of lindane. Toxicity tests show that, although the rate of loss of dieldrin was greater than DDT and toxaphene, the insecticidal effectiveness of dieldrin against houseflies is greater than that of DDT and toxaphene until the 25th day. Although the toxicity of dieldrin is high, it may be safer for use than DDT or toxaphene because it can be used at a lower concentration and is effective at so low a threshold.

The Dow Chemical Co. presented five witnesses who discussed the uses and chemical properties of and gave residue data on the dinitros, 2,4-D, and soil fumigants. Dr. O. H. Hammer said that DN-Dry Mix 1 (2-cyclohexyl-4, 6-dinitrophenol) is an effective dormant spray for the control of aphids, European red mite, cherry casebearer, eye spotted bud moth, pear psylla and various scale insects. DN 111 (2-cyclohexyl-4, 6-dinitrophenol, dicyclohexylamine salt) and neotran (BIs [parachlorophenoxy] methane) are two miticides which have shown particular effectiveness against the two-spotted spider mite, red mite, European red mite and leafhopper.

J. H. Davidson, a Dow Co. horticulturist, discussed the herbicide 2,4-D (2,4-dichlorophenoxyacetic acid) as an effective control of vetch in strawberry patches, of weeds in corn fields in both pre- and post-emergent applications and of weeds in potato fields. He also described the effectiveness of Dow Selective (2-sec. butyl-4, 6-dinitrophenol ammonium salt) as a control of mustard in pea fields. He said that chemical weed control is less expensive than mechanical control and can be utilized at times when the latter cannot be used. Because the 2,4-D is applied before the edible portions of the crops are formed, no residue problem is thought to be created.

Mr. Davidson testified that 2,4-D and naphthalenacetic acid (NAA) were effective plant growth regulators. The first two materials are particularly useful in preventing premature fruit drop of apples, tomatoes, citrus and pineapple, while experimental work shows that p-chlorophenoxyacetic acid material will increase the fruit set on tomatoes.

DN-Dry Mix 1, NAA and DN-289 (2 sec. butyl-4, 6 dinitrophenol triethanolamine salt) can all be used as effective thinning materials on apples and peaches. Tests show that their use has no effect on the total yield but will increase the production of larger size fruit which commands a higher premium price.

F. W. Fletcher discussed the soil fumigants methyl bromide, ethylene dibromide, dichloropropene and chloropierin. He said that soil-borne insects such as wireworms and nematodes and plant diseases can be effectively combated with these materials. Methyl bromide must be used in an area which has a gas proof cover, but the other materials don't require such and can be used on a large scale. The latter were mentioned as being particularly valuable for use in cabbage and tomato fields.

E. E. Luce, an analytical chemist with the Dow Company, presented methods of residue determinations which can be used in making residue determinations for the various Dow products, including 2-4-D. These methods are contained in exhibits which are a part of the record and are on file with the FDA. These exhibits start with exhibit 979.

G. E. Lynn testified that using the previously described determination methods, the following residue data were obtained: No residue was found in tubers of potatoes sprayed in full bloom stage with 2 pounds of 2-4-D per acre. Grapefruit sprayed two or three times with DN Dry Mix but in no case later than 76 days before harvest, showed nil amounts of the material in the pulp—less than 0.05 ppm on the surface and in the peel. Oranges sprayed with DN Dry Mix 12 to 16 days before harvest had surface residues ranging from 0.22 ppm to 0.27 ppm, the peel contained 0.67 to 0.87 ppm and the pulp 0.0 to 0.05 ppm. DN 111 residues were 0.1 to 1 ppm on apples, 0.0 to 0.2 ppm on prunes and 0.1 to 0.45 ppm on peaches 7 days after application. Mr. Lynn said residue tests on soil fumigants had disclosed no residue present.

This last testimony was corroborated by C. W. McBeth, of the Shell Oil Co., who said that 60 percent of DD (dichloropropene-dichloropropane) volatilized away one week after its application to soil. Eighty percent volatilized in two weeks and 90 percent had disappeared after three weeks. Two months after application, a non-volatile residue representing 8 percent of the original injection was still present in the soil. This amount would be about 4 ppm; data indicate that it is not absorbed into plants which are later planted in the plot.

R. B. Arnold of the Virginia-Carolina Chemical Corp. testified on the necessity for use of nicotine. He introduced nicotine residue data on apples which showed that it was not over 5 ppm one day after application and 2 ppm 10 days later. There have been no nicotine residue studies made upon leafy vegetables but by means of mathematical calculations after correlating their surface areas with the apples, Mr. Arnold concluded that there would be a residue of 37 ppm immediately after drying and 3 ppm 10 days later.

Two new experimental materials which were introduced into the hearings this week were endothal, a defoliant herbicide, and dillan, an insecticide derived from a nitroparaffin compound. Neither material is yet in commercial production and no performance data is now available, but will be at the end of the present year.

Dr. Nathaniel Tischler of Sharples Chemicals, Inc., makers of endothal, said that endothal shows particular promise in controlling grassy weeds and that most crucifers are resistant to it. Dr. J. E. Sanders of the Commercial Solvents Corp., manufacturers of dillan, which is a combination of the propane and butane base of 2-nitro-1, 1-bis (p-chlorophenyl), said that it is a particularly effective control of Mexican bean beetle and some other vegetable insects. He also said that it shows promise as a control of plum curculio, oriental fruit moth and cat facing insects on peaches.

The hearings adjourned until the following week, at which time they were to continue with testimony from industry witnesses.

## STATISTICS

### 1949 Pack of Pimientos

The 1949 pack of pimientos was reported this week by the Association's Division of Statistics at 1,149,876 actual cases, as compared with the 778,948 actual cases packed in 1948. Of last year's pack, 654,123 cases were canned in Georgia and 124,825 cases in other states. The following table shows the 1949 pimiento pack of size of container:

Size	Georgia	Other States	U. S. Total
		(actual cases)	
No. 4Z Flat.....	219,591	96,070	315,661
No. 4Z Tall.....	251,447	.....	251,447
No. 7Z.....	206,400	31,804	238,204
No. 14Z.....	20,233	640	20,873
No. 300.....	9,220	.....	9,220
No. 2.....	.....	65	65
No. 2 1/2.....	182,230	10,256	192,486
No. 6.....	82	1,000	1,082
Miscellaneous tin.....	.....	656	656
2Z Glass.....	17,895	12,220	30,115
4Z Glass.....	62,248	2,647	64,895
7Z Glass.....	13,722	.....	13,722
14Z Glass.....	1,601	.....	1,601
2 1/2 Glass.....	9,829	.....	9,829
Miscellaneous glass.....	.....	.....	.....
U. S. Total.....	994,498	155,378	1,149,876

### Poultry Canned in March

The quantity of poultry canned or used in canning during March totaled 12,938,000 pounds, the Bureau of Agricultural Economics reports.

### RSP Cherry and Tomato Stocks

Reports on canners' stocks and shipments of canned RSP cherries and canned tomatoes were compiled this week by the Association's Division of Statistics. Detailed reports have been mailed to all canners packing these items.

#### RSP Cherry Stocks and Shipments

	1948-49	1949-50
	(actual cases)	
Carryover, July 1.....	.....	.....
Pack.....	3,552,210	3,445,323
Total supply.....	3,552,210	3,445,323
Stocks, May 1.....	60,108	276,891
Shipments during April.....	91,778	185,505
Shipments, July 1 to May 1.....	3,492,107	3,168,432

#### Canned Tomato Stocks and Shipments

	1948-49	1949-50
	(actual cases)	
Carryover, July 1.....	1,949,713	2,718,655
Pack.....	21,466,688	18,873,672
Total supply.....	23,416,401	21,592,327
Stocks, May 1.....	4,736,080	3,539,576
Shipments during April.....	1,279,013	1,074,563
Shipments, July 1 to May 1.....	18,680,321	18,052,651

### 1949 Pack of White Potatoes

The 1949 pack of white potatoes has been compiled by the Association's Division of Statistics, as follows:

	1948	1949
	(actual cases)	
East.....	647,658	717,517
West.....	911,166	753,484
U. S. Total.....	1,558,823	1,471,301

East includes Me., N. Y., Md., Del., N. J., Pa., Va., Ga., Fla., Ala., Miss., and La. West includes Calif., Utah, Ill., Ind., Wis., Nebr., Tex., Ark., Okla., and Kans.

### 1949 Pack of Sweetpotatoes

The 1949 pack of sweetpotatoes has been compiled by the Association's Division of Statistics, as follows:

	1948	1949
	(actual cases)	
Md., Va., and N. J.....	1,024,608	1,460,658
La., Miss., and Ala.....	284,611	896,961
Other states.....	60,890	203,584
U. S. Total.....	1,470,109	2,561,403

### 1949 Pack of Okra

The 1949 pack of okra was reported this week by the Association's Division of Statistics as follows:

Style of Pack	1948	1949
	(actual cases)	
Whole okra.....	62,069	85,443
Cut okra.....	328,478	181,918
Okra and tomatoes.....	204,992	223,050
U. S. Total.....	595,539	410,411



## MEETINGS

### N.C.A. Officers Speak

President Henry P. Taylor and Secretary Carlos Campbell addressed the Tidewater Cannery Association of Virginia's annual meeting at Irvington, Va., May 17.

### Interpretative Bulletin

(Concluded from page 175)

B of the bulletin. That subpart will be devoted to a discussion of the coverage principles as they apply to certain businesses and occupations with respect to which particular questions frequently have been asked.

With publication of Subpart A, the general coverage statement of the Administrator previously published as Part 776 is replaced and superseded. This is true also of all other administrative rulings, interpretations, practices and enforcement policies relating to the general coverage of the wage and hours provisions of the Fair Labor Standards Act not previously withdrawn.

The Act's wage provision requires that the statutory minimum wage of 75 cents an hour must be paid by an employer to "each of his employees who is engaged in commerce or in the production of goods for commerce," including those employees in "any closely related process or occupation directly essential to the production." As to overtime pay, the general requirement of the hours provision of the Act is that such employees must be paid not less than time and one-half their regular rate of pay for all work in excess of 40 hours in a workweek. The Act provides a number of exemptions from both the wage and hours provisions, but this bulletin does not deal with these, nor with the child-labor provisions, which are discussed in other publications.

According to the bulletin, "every employee whose engagement in activities in commerce or in the production of goods for commerce, even though small in amount, is regular and recurring, is covered by the Act." However, the bulletin explains, the applicability of the Act is determined on a workweek basis, so that the fact that an employee who at some particular time may be covered does not mean that, by reason of that fact, he therefore will be indefinitely entitled to the Act's benefits.

The bulletin points out that "some employers in a given industry may have no employees covered by the Act; other employers in the industry may have some employees covered by the Act, and not others; still other employers in the industry may have all their employees within the Act's coverage." This is true because coverage or noncoverage of an employee is "primarily an individual matter as to the nature of the employment of the particular employee." However, the bulletin emphasizes, "the relationship of an employer's business to commerce or to the production of goods for commerce may sometimes be an important indication of the character of the employee's work."

The bulletin discusses the meaning of the terms "commerce," "production," and "goods," as defined in the Act, explained in the legislative history, and construed by the courts. Extended discussion also is offered of the meaning intended by the Congress in substituting the words "closely related" and "directly essential" for the previous word "necessary" as guidance in determining which employees, in addition to those actually "producing . . . or in any other manner working on" goods for commerce, are engaged in the "production" of such goods within the meaning of the Act.

Under the substituted language, the bulletin states, "an employee is covered if the process or occupation in which he is employed is both 'closely related' and 'directly essential' to the production of goods for interstate or foreign commerce."

## PROCUREMENT

### Procurement Problems

At the meeting of the N.C.A. Procurement Committee to be held at the New Building, June 6, the staff will lay before the Committee for consideration the principal problems relating to government procurement that have been reported by individual canners. Members, therefore, are invited to submit procurement matters for presentation to the Committee.

### New Headquarters Building

(Concluded from page 175)

monies which are to be held June 8 immediately following the spring meetings of the Board of Directors, Administrative Council, and Committees.

Principal efforts in this direction are the completion of arrangements for the dedication events and the publication of a souvenir booklet commemorative of the dedication. Original art and copy work is almost completed and the publication now is in the proofing stage. It will contain full program detail, illustrations pertinent to dedication events, and a listing of the names of those who will attend, together with their table locations for the dedication luncheon at the Hotel Mayflower.

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